GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:586
ANSWERED ON:03.03.2008
INCENTIVE FOR WHEAT AND RICE PRODUCTION
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Will the Minister of AGRICULTURE be pleased to state:

(a) whether the production of rice is unlikely to meet domestic needs and that the country may have to resort to import of rice;

(b) if so, the details thereof and the reasons therefor;

(c) whether the production of wheat is sufficient to meet the requirement of those rice eaters switching to wheat;

(d) if not, the steps being taken to ensure self-sufficiency in rice and wheat;

(e) whether the shortfall in rice production would result in rice-eaters switching to wheat;

(f) whether any specific incentives are given to the farmers of the wheat and rice growing areas to ensure enhanced productions; and
(g) if so, the details thereof and expenditure incurred/likely to incur thereon?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE(SHRI KANTI LAL BHURIA)

(a) to (e): On the basis of the monthly per capita quantities of consumption reported in the National Sample Survey 61st Round Report on `Household Consumption of Various Goods and Services in India, 2004-05` and the population projections given by the Office of the Registrar General of India, the consumption requirement of rice in the country during 2007-08 is estimated at 89.47 million tonnes which includes seed, feed and wastage. As against this requirement, the production of rice during 2007-08 (2nd advance estimates) is estimated at 94.08 million tonnes. India is a net exporter of rice.

Following the said approach, consumption requirement of wheat in the country during 2007-08 is estimated at 68.59 million tonnes as compared to its production of 75.81 million tonnes during the crop year 2006-07 which is available for consumption during marketing year 2007-08. The country imported 6.08 million tonnes of wheat during 2006-07 to augment the buffer stock.

To increase the production of rice and wheat, the Integrated Cereals Development Programmes (ICDP) in rice and wheat based cropping systems have been under implementation since October 2000 in the country. However, in order to increase the production of rice and wheat further, recently a Centrally Sponsored Scheme `National Food Security Mission` (NFSM) has also been launched from 2007-08 in the country. It aims at increasing the production of rice by 10 million tonnes and wheat by 8 million tonnes by the end of the Eleventh Plan, i.e., by 2011-12 through area increase and productivity enhancement in targeted districts of the country.

(f) & (g): The Government extends price support (Minimum Support Price) to paddy and wheat through the Food Corporation of India and State Agencies. For the marketing season 2007-08, an incentive bonus of Rs. 100 per quintal was given over and above the Minimum Support Price (MSP) of Rs. 750 per quintal for wheat and Government incurred an expenditure of Rs. 1112.8 crore. In case of paddy, an incentive bonus of Rs. 100 per quintal was given over and above the MSP of Rs. 645 per quintal (Common variety) and Rs. 675 per quintal (Grade-A variety) and Government incurred an expenditure of Rs. 4054.0 crore.